

FISCAL NOTE

HB 984 - SB 1312

February 22, 2005

SUMMARY OF BILL: Enacts the Tennessee Family Medical Leave Act for employers with 50 or more employees. Requires the Department of Labor and Workforce Development to adopt rules for leave under the Act.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$225,000

Increase Local Govt Expenditures – Exceeds \$100,000*

Assumptions:

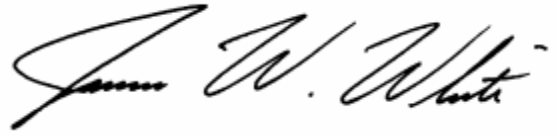
- All state and local governments would be subject to the Act. State and local governments currently comply with requirements of federal Family and Medical Leave Act (FMLA). According to the Department of Finance and Administration, this bill would grant four months of leave in addition to the leave provided in FMLA.
- In 2003 and 2004, there were approximately 1,314 births for which the State of Tennessee paid benefits.
- If 10% of state employees took the supplemental leave authorized in the Act for a period of two months, it would result in estimated increased state expenditures of \$225,000 for health insurance and other employee benefits during a time that an employee who took additional leave under current law would not receive such benefits. There would be a similar impact on local governments.
- Requires continued compliance with the federal Family Medical Leave Act and adherence to the notice requirement established by federal law.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

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A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director